



U.S. Immigration
and Customs
Enforcement

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News Release

PENNSYLVANIA COMPANY SENTENCED FOR ILLEGAL EXPORTS TO IRAN AND FOR MAKING FALSE STATEMENTS

PHILADELPHIA, PA – The Department of Homeland Security's U.S. Immigration and Customs Enforcement (ICE) and the Department of Commerce's Bureau of Industry and Security (BIS) today announced that BEF Corporation (BEF) of Allentown, Pennsylvania, was sentenced today to five years probation and ordered to pay civil and criminal penalties for illegally exporting goods to Iran and making false statements to the government.

An investigation by ICE and BIS in Philadelphia, launched in May 2002, revealed that between 2001 and 2002 BEF knowingly exported miniature photo labs to Iran without the export licenses required by the Department of Treasury, and made false statements on Shipper's Export Declarations, a required export form, to help BEF international customers avoid import duties. BEF is a company that buys one-hour photo processing machines, refurbishes them, and resells the equipment throughout the world.

In November 2004, BEF pleaded guilty to one-count of violating the International Emergency Economic Powers Act and the Iranian Transactions Regulations. BEF also pleaded guilty to ten counts of making false statements to the government. In an unrelated case, BEF pleaded guilty to violations of the Clean Water Act stemming from an investigation by the Environmental Protection Agency.

Today, as a result of the guilty plea, BEF was sentenced to five years probation. The company was also ordered to pay a criminal fine of \$350,000 and to criminally forfeit an additional \$150,000 to ICE. In the related administrative case, BEF agreed to pay civil fines of \$39,000 to BIS to settle charges that it committed four violations of the Export Administration Regulations in connection with the illegal export to Iran. In addition, BEF paid the Department of Treasury \$11,000 to settle civil charges that it violated the Iranian Transactions Regulations. Finally, BEF was ordered to pay a special assessment of \$5,600 to the court.

Iran is under a comprehensive U.S. embargo and has been designated by the Secretary of State to be a supporter of international terrorism.

“Today’s case demonstrates ICE’s commitment to enforce the embargo on Iran and other sanctioned countries. U.S. companies that knowingly trade with embargoed nations will face consequences,” said Michael J. Garcia, the Department of Homeland Security Assistant Secretary for U.S. Immigration and Customs Enforcement (ICE).

“The Iranian embargo is an important foreign policy tool used to discourage that country from continuing its support of international terrorism. Enforcing the embargo is a significant part of the Commerce Department’s export enforcement program,” said Wendy L. Wysong, Acting Assistant Secretary of Commerce for Export Enforcement. Acting Assistant Secretary Wysong commended BIS’s Office of Export Enforcement, New York Field Office, for its work in this investigation

BEF’s sentence today also settled unrelated criminal violations of the Clean Water Act investigated by the U.S. Environmental Protection Agency.

#ICE#

U.S. Immigration and Customs Enforcement (ICE) was established in March 2003 as the largest investigative arm of the Department of Homeland Security. ICE is comprised of five integrated divisions that form a 21st century law enforcement agency with broad responsibilities for a number of key homeland security priorities